

Article - Local Government

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§20–801.

(a) “Public local law” has the meaning stated in Article XI–F, § 1 of the Maryland Constitution.

(b) (1) Subject to paragraph (2) of this subsection, by public local law, the county commissioners of a code county may impose a development excise tax when a subdivision lot is initially sold or transferred to finance any of the capital costs of additional or expanded public school facilities or improvements.

(2) A county that imposes a development impact fee may not impose a development excise tax under this section.

(c) (1) Before passing a public local law imposing a development excise tax or altering the amount of the tax, the county commissioners shall hold a public hearing.

(2) Notice of the hearing shall be published in at least one newspaper of general circulation in the county not less than 3 or more than 14 days before the hearing.

(3) The notice shall state:

- (i) the subject of the hearing;
- (ii) the time and place that the hearing will occur;
- (iii) the amount of the tax; and
- (iv) when during the subdivision process the tax shall be paid.

(d) (1) A development excise tax imposed under this section by a county other than a code county in the Eastern Shore class may not exceed \$2,000 per lot.

(2) A development excise tax imposed under this section by a code county in the Eastern Shore class may not exceed \$5,000 per lot.

(e) (1) The county commissioners shall deposit development excise taxes in an account known as the “educational facilities improvement fund”.

(2) Money in the educational facilities improvement fund may be used only to pay for capital projects, or for debt incurred for capital projects, for additional or expanded public school facilities or improvements.

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